

ISSUE DATE: November 24, 1998

DOCKET NO. P-407, 421/CP-96-435

ORDER CERTIFYING POLLING RESULTS, APPROVING PETITION, AND REQUIRING
INSTALLATION OF EAS

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Edward A. Garvey
Joel Jacobs
Marshall Johnson
LeRoy Koppendrayner
Gregory Scott

Chair
Commissioner
Commissioner
Commissioner
Commissioner

In the Matter of a Petition for Extended Area
Service From Askov to Sandstone

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PROCEDURAL HISTORY

On April 22, 1996, subscribers in the Askov telephone exchange filed a petition for Extended Area Service (EAS) to the Sandstone exchange. GTE Minnesota (GTE) serves the Askov exchange; U S WEST Communications, Inc. (USWC) serves the Sandstone exchange.

On June 4, 1996, GTE submitted a traffic study that showed that the number of accounts making three or more calls per month to the Sandstone exchange exceeded 50 percent of the lines in the Askov exchange.

On June 7, 1996, the Department of Public Service (Department) filed comments stating that the petition was valid and recommending that the Commission order the affected telephone companies to file cost studies and proposed rates.

On October 4, 1996, the Commission issued its ORDER REQUIRING COST STUDIES AND PROPOSED RATES. In its Order, the Commission found that the Askov exchange was adjacent to the Sandstone exchange and that the calling volume from Askov to Sandstone met the Commission's traffic criterion.

Between February 3 and March 27, 1997, the affected companies filed cost studies and proposed rates.

The Department filed comments on May 22, 1997. In its comments, the Department stated that GTE had not considered cost savings arising from no longer providing access service. The Department adjusted GTE's revenue requirement and proposed rates to reflect the alleged cost savings.

GTE filed reply comments on June 4, 1997. GTE argued that, on a route specific basis, the cost savings alleged by the Department does not occur.

On August 6, 1998, the Commission issued its ORDER ESTABLISHING RATES FOR POLLING in this matter.

Between September 30 and November 10, 1998, telephone subscribers in the Askov exchange were polled to see if a majority of subscribers returning their ballots would favor the installation of the Askov to Sandstone EAS route.

The Commission met on November 17, 1998 to consider this matter.

FINDINGS AND CONCLUSIONS

I. CERTIFICATION OF POLLING RESULTS: ASKOV TO SANDSTONE

The results of the polling show that a majority of voting subscribers in the Askov exchange voted in favor of EAS to the Sandstone exchange. The results were as follows:

Yes		No	
#	%	#	%
276	64.3	153	35.7

II. ORDER FOR INSTALLATION

The third and final criterion for EAS is that a majority of customers responding to a poll in the petitioning exchange favor its installation. Because a majority of Askov customers returning their ballots voted in favor of the proposed EAS route, the third and final criterion is met in this petition.

Accordingly, the Commission will direct GTE to implement the requested EAS route within 12 months of the date of this Order. To expedite and coordinate the implementation process, the Commission will order GTE to coordinate implementation of EAS with USWC, the company serving the petitioned exchange (Sandstone) and file a schedule of the planned implementation within 60 days of this Order. GTE will also be required to file an explanation of the reasons for any subsequent change in that schedule.

ORDER

1. The Askov to Sandstone EAS petition is hereby approved. The affected telephone companies [GTE Minnesota (GTE) and U S WEST Communications, Inc. (USWC)] shall implement the service in their respective exchanges within 12 months following the date of this Order.
2. GTE shall coordinate the implementation of EAS in the Askov exchange with the telephone company that serves the petitioned exchange (USWC) and file an implementation schedule within 60 days of the Order. If, for some reason, the implementation schedule changes, GTE should immediately notify the Commission and explain the reason(s) for the change(s).

3. Within 10 days of the date of this Order, GTE shall file the first of two proposed customer notices for approval by Commission staff. The notices for customers in the petitioning exchange (Askov) should list the results of the polling, the EAS additives and the proposed implementation date. After approval, GTE shall serve the notices in the first possible billing cycle.
4. GTE shall send final, Commission approved, notices to customers in the Askov (petitioning) exchange, either by bill insert or separate mailing. The final notice should describe the service, instruct customers on dialing, list the additional monthly rates, the date of implementation and any other pertinent information. GTE should issue the notice one month before they implement EAS.
5. GTE shall make any requests for recovery of non-recurring costs at least 120 days before the planned implementation date. The Department of Public Service shall have 30 days to comment on the proposed charges.
6. USWC shall file a proposed customer notice for customers in the petitioned exchange (Sandstone) for approval by Commission staff 90 days before the anticipated implementation dates for these EAS routes. The notice should describe the service, instruct customers on dialing, list the additional rates to be paid and the date of implementation. USWC shall send the notices during billing cycles that conclude at least one month, but not more than two months, before EAS is implemented.
7. GTE and USWC shall file tariff sheets reflecting Commission Orders that have established the rates and terms for EAS between Askov and Sandstone at least 30 days before the implementation of EAS. Thereupon, this docket (P-407, 421/CP-96-435) will be closed.
8. This Order shall become effective immediately.

BY ORDER OF THE COMMISSION

Burl W. Haar
Executive Secretary

(S E A L)

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